

G. N. Kuruc, Jr. Key Account Manager 400 Raritan Center Edison, N. J. 08837 908-225-4774 Voice Mail 43778

FAXED

January 15, 1997

Mr. Dominick Griffo Pathmark Stores Inc. 301 Blair Road Woodbridge, NJ 07095

Dear Dom:

With regard to my proposal for 1st Quarter RJR Brand Promotions. I have listed below some changes that you might find acceptable for March and April:

March

- WINSTON Coupon Promotion
 - Pathmark Warehouse to pre-coupon selected carton amounts of best selling WINSTON Brands with \$2.00 coupons. Warehouse to be paid at rate of \$28 per 12M case for handling.
 - > Product to be distributed to stores for placement in RJR Floor Display (in designated 50 stores)
 - > RJR Field Sales to deliver and place floor displays after distribution.
 - > RJR Field Sales will also place pack and carton coupons at store level in all stores.

April

- WINSTON \$.20 pack/\$2.00 carton Scanning Buy Down
 - > WINSTON to be included in April Coupon Book. \$2.00 per carton. Pathmark to waive inclusion cost in Coupon Book. RJR will count waiving of inclusion cost as "Retailer Match". RJR Retail Accrual Monies increased 50% as result of Retailer Match.

June

- DORAL Onsert Program/\$2.00 Coupon Program
 - > Pathmark Warehouse to place carton onsert and \$2.00 coupons on selected styles of DORAL. Payment of \$28 per 12M case for handling.
 - > Couponed DORAL Product distributed to stores.
 - > RJR Field Sales to deliver and place floor displays in 50 selected stores.

Dom, I believe that the above promotions should get us off to a good start to building volume for 1997.

Please call me to confirm the above.

Sincerely,

Nick

G. N. Kuruc, Jr.